

State gov'ts energy-reduction efforts need more money

By Matt Pilon

mpilon@HartfordBusiness.com

A \$20 million taxpayer-backed investment to reduce state government's energy use and power bills has shown modest results over the last five years, but the state remains well behind an original energy-savings target established by the General Assembly.

The legislature created the "Lead by Example" (LBE) program in 2011, aiming to reduce Connecticut's power bill — which exceeds \$200 million annually — as well as its environmental footprint by paying for lighting upgrades, replacement windows, new HVAC systems and controls, and a myriad of other efficiency measures at state buildings, universities and high schools.

But the program, whose bonded funds have been exhausted on 70 different projects, has only reduced energy consumption by approximately 2.3 percent from 2010 levels, well below the legislature's goal of a 20 percent reduction by 2018.

The Acadia Center, an environmental nonprofit with an office in Hartford, recently released a report criticizing Lead by Example's lack of progress.

Continued on page 13



PHOTO: MATT PILON

79 Elm St., Hartford

Project Cost: \$349,750

Estimated Project Savings: \$252,134

Actual Savings So Far: \$123,427

Description: Building on a previous upgrade to the energy system in DEEP's headquarters, this project included the installation of new HVAC control mechanisms that can communicate with each other, as well as new variable frequency drives and motors for air handling units.

GRADING HOME CARE



PHOTO: STEVE LASCHNER

Robert Scandura, owner and CEO of Right at Home for Hartford County, stands with a client for whom his office cared. Scandura's company is participating in a Harvard study that will measure the quality and costs savings associated with homecare services.

Homecare industry in CT, nationwide seeks Medicare reimbursements with Harvard cost study

By John Stearns

jstearns@HartfordBusiness.com

A Hartford area homecare agency is scheduled by Nov. 1 to join a national study conducted by Harvard Medical School examining the effects homecare providers have on reducing unnecessary client hospitalizations and lowering healthcare costs.

Right at Home, which has 280 franchisee offices across the country participating in the study, hopes the data ultimately could help make its case for homecare agencies to receive Medicare reimbursements for their contribution to cost containment.

The study's findings could also have

implications for Connecticut and other states that have adopted policies in recent years to encourage home care over institutionalized settings like nursing-home and assisted-living facilities, which are thought to be higher costing.

"Nobody's studying it in the way we're doing it, especially not with this national population, so this is really the first evaluation of its kind," said David Grabowski, professor of healthcare policy at Harvard Medical School and the study's principal investigator.

Key to the study is leveraging technology from homecare software company ClearCare

Continued on page 14



FOCUS: TRANSPORTATION/CONSTRUCTION

Traffic Jam

The state is taking steps to alleviate one of the nation's worst congestion problems, with hopes of reducing the number of drivers who commute to work by themselves. **PG. 8**



Clearing Battlefields

Barkhamsted-based Tru-Hitch Inc. since the 1990s has racked up at least a dozen Pentagon contracts manufacturing lifting-towing technology that helps U.S. soldiers clear foreign battlefields of destroyed or disabled Army troop and equipment carriers, and other rolling stock. **PG. 3**

Index

■ Week in Review: **PG. 6**

■ The List: **PG. 10**

■ Deal Watch: **PG. 12**

■ Movers & Shakers: **PG. 16**

■ Nonprofit Notebook: **PG. 18**

■ Opinion & Commentary: **PG. 20**

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Tru-Hitch Inc. founder/owner Marty Marola had a better idea for a tow-lift system for handling extra-heavy loads. The result is his "fifth-wheel" lift that his Barkhamsted company for years has sold under contract to the U.S. Army.



HBJ PHOTO | GREGORY SEAY

Military finds Tru-Hitch's tow gear truly uplifting

By Gregory Seay
gseay@HartfordBusiness.com

U.S. and allied soldiers for years have relied on a bit of Connecticut lifting-towing technology to clear foreign battlefields of destroyed or disabled Army troop and equipment carriers, and other rolling stock.

Tru-Hitch Inc., based in Barkhamsted, since the 1990s has racked up at least a dozen Pentagon contracts manufacturing and delivering what sole-owner/founder Marty Marola says the Army calls its "modular catastrophic recovery systems."

More sophisticated than a traditional tow-truck or flatbed hauler that most motorists

are used to seeing when they call for roadside assistance, Tru-Hitch's patented equipment is just as vital for getting military vehicles unstuck, or hauling damaged or broken ones back to the motor pool.

"We did our first [contract] deployment in the 1990s," said Marola, who resides in Goshen. "We've been in three wars since we began."

Most recently, Tru-Hitch landed another Army contract, valued at \$7.4 million, for repair and refurbishment of as many as 90 of Tru-Hitch's previously delivered towing-hauling systems. Among them are units delivered around five years ago that are now returning from their deployment alongside U.S. troops in Afghanistan, Marola said.

Marola says he can't precisely count the number of Army contracts he's procured over the years, but estimates them at around a dozen, with more than 300 of Tru-Hitch's "fifth-wheel" towing systems delivered. He says Tru-Hitch has run up against some formidable bidders, including several leading U.S. heavy-trucks makers.

Military contracts make up the bulk of Tru-Hitch's growing annual revenue, which Marola won't disclose. He says his company is profitable, too. Tru-Hitch employs 26 workers — many of them welders and machinists — at production facilities in Barkhamsted and Torrington.

How Marola entered the lucrative world of defense contracting is the typical tale of

one person with a fresh idea for improving a technology that has been around for as long as motorized vehicles have existed.

His grandfather in 1935 launched former Marola Motors, a Torrington truck dealership where Marola says his mother and father both worked, and where as a youngster he learned to push a broom. By 18, he was a certified welder, repairing vehicles at the dealership that sold International brand trucks, he said.

In later years, Marola ran the business that sold, among other things, tow trucks and tow hitches. But there was, he said, always the nagging sense for him that the hook/lift systems

Continued ►

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Axles and other parts stowed at Tru-Hitch's Barkhamsted yard await assembly into trailers.

Tru-Hitch

on the tow vehicles were never quite up to the task, especially for handling ultra-heavy loads like semis and construction equipment.

"I said, 'there had to be a way to tow a vehicle without overloading the rear axle of the tow truck and unsafely lightening the steering axle of the tow truck,'" Marola said.

Tinkering in his spare time, Marola eventually devised tow-lift hardware that the Army and some private-sector buyers have come to appreciate.

Two types of hauling/towing systems sprang from Marola's ingenuity. One is a "fifth wheel towing and recovery device." Attached to the turntable of a truck, like the one semis use to attach truck to trailer, it uses hydraulics to lift the towed vehicle.

But that alone isn't enough to lift up the front of a vehicle without taxing the tow-vehicles rear drive wheels, Marola said. Also, super-heavy lifts can cause the tow-vehicle's front axle to lift, compromising steering and braking. Tru-Hitch's system solves both, he said.

To achieve better balance between the towed vehicle and the tower, Tru-Hitch's fifth-wheel setup has a pair of extra-long and sturdy steel tow prongs — similar to the steel lift bars on conventional tow trucks.

When the fifth-wheel's heavy-duty prongs are extended some 8 to 10 feet beneath the towed-vehicle's undercarriage, the Army can lift up to 32,000 pounds and tow up to 150,000 pounds, Marola said.

Tru-Hitch's other product the Army covets is a tiltable, flatbed trailer that, when linked to its heavy-lift cousin, is capable of "rolling on, rolling off," a variety of Army vehicles, all except for an M-1 tank, Marola said. Its 102-inch wide bed can be extended to 114 inches, to accommodate wider vehicles.

"We can go in as a tractor-trailer," Marola said, describing the workings of Tru-Hitch's "roll-on, roll-off" setup, "separate on the roadway and go in and do the recovery and bring the [stranded] vehicle back onto the road. Then, using the winch, we pull it onto the trailer. Reattach the trailer and drive off."

At his Barkhamsted facility, Marola keeps a "loaner" Army tow vehicle that he uses to test fit and fine-tune newly assembled versions of both technologies. With proper maintenance and timely refurbishment, he says Tru-Hitch's equipment is designed to last at least 30 years.

"The Army," Marola said, "has an assortment of six different size tractors that will attach to our system." ■

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www.HartfordBusiness.com
(860) 236-9998

EDITORIAL

Greg Bordonaro Editor, ext. 139
gbordonaro@HartfordBusiness.com

Gregory Seay News Editor, ext. 144
gseay@HartfordBusiness.com

Matt Pilon News Editor, ext. 143
mpilon@HartfordBusiness.com

John Stearns Staff Writer, ext. 145
jstearns@HartfordBusiness.com

Patricia Daddona Web Editor, ext. 127
pdaddona@HartfordBusiness.com

Stephanie Meagher Research Director
Heide Martin Research Assistant

BUSINESS

Joe Zwiebel President and Publisher, ext. 132
jzwiebel@HartfordBusiness.com

Donna Collins Associate Publisher, ext. 121
dcollins@HartfordBusiness.com

Jessica Baker Office Manager, ext. 122
jbaker@HartfordBusiness.com

Amy Orsini Events Manager, ext. 134
aorsini@HartfordBusiness.com

Kaleigh Hickey Events Coordinator, ext. 137
khickey@HartfordBusiness.com

Christian J. Renstrom Advertising Director, ext. 126
crenstrom@HartfordBusiness.com

David Hartley Sr. Accounts Manager, ext. 130
dhartley@HartfordBusiness.com

John Vuillemot Sr. Accounts Manager, ext. 133
jvuillemot@HartfordBusiness.com

Marisa Wright Sr. Accounts Manager, ext. 124
mwright@HartfordBusiness.com

Anabela Maia Account Manager, ext. 131
amaia@HartfordBusiness.com

Raki Zwiebel Credit and Collections Manager

Valerie Clark Accounting Assistant/Office Manager

Kim Vautour HR Director

Gail Lebert Chair, Executive Advisory Board

PRODUCTION

Lynn Mika
Production Director/Marketing Coordinator, ext. 140
lmika@HartfordBusiness.com

Christopher Wallace Art Director, ext. 147
cwallace@HartfordBusiness.com

New England
Business Media LLC

Peter Stanton CEO
pstanton@nebusinessmedia.com

Joseph Zwiebel President & Group Publisher, ext. 132
jzwiebel@HartfordBusiness.com

Mary Rogers COO/CFO
mrogers@nebusinessmedia.com

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Changes aplenty for CT's high-speed network

The state entity that operates a high-speed internet fiber backbone for public schools, libraries and other users is putting an increased focus on attracting business customers, as it grapples with a sizable budget cut.

The Connecticut Education Network (CEN), which has an approximately \$5.9 million operating budget, saw its state appropriation cut from \$2.9 million to \$1.1 million for the fiscal year that began July 1.

As such, it was forced to start charging schools and libraries that previously received free services. With future state funding uncertain, CEN is aiming for a self-sustaining business model.

Another big change: CEN Director Scott Taylor, who has been with the organization since 2005, departed this month for a job in the private sector.

Speaking by phone on his last day at CEN, Taylor said he has faith Connecticut Education Network will persevere.

"There's always been a challenge, but this group has lost leaders in the past and been very resilient," Taylor said.

CEN offers internet upload and download speeds ranging from 10 megabits per second up to 100 gigabits per second — an ultra-fast speed coveted by the likes of UConn and Jackson Laboratory. The fastest

connection costs \$10,000 a month.

CEN has been available to paying customers, including private businesses, since it accepted part of a \$94 million federal stimulus grant in 2010 that helped it further build out its network.

But it's done very little marketing to business customers, something that will soon change, according to Brynn Deprey, CEN's communications manager.

CEN is planning a targeted approach with a modest goal of adding up to 10 new paying customers. Since its infrastructure is largely centered around schools, potential targets include entities that interact with schools in some way.

"We are very much ready to start this process of growth and start approaching businesses more," Deprey said.

For example, CEN recently approached the developers of a proposed makerspace in Hartford's Colt Building. Bryan Patton said he hopes to offer one-gigabit service from CEN, should the makerspace get up and running.

CEN has approximately 10 full-paying customers, including Jackson Lab, the Connecticut Center for Advanced Technology, Mystic Aquarium and Milford cloud service and IT provider Digital Back Office Data Center.

— Matt Pilon

B of A remains CT's market share leader

Bank of America's market share lead in Connecticut has narrowed over the past year, despite the Charlotte-based lender increasing its deposit base in the state by nearly 1 percent.

Meantime, Waterbury regional lender Webster Bank eked ahead of its rival Bridgeport-based People's United Bank to take over the No. 2 market-share spot in the state, according to recently released data by the Federal Deposit Insurance Corp.

Bank of America, which is the second largest U.S. bank behind JPMorgan Chase, recorded \$29.9 billion in Connecticut deposits at the end of June, controlling 23.68 percent of the market in the state, FDIC data shows.

In comparison, Webster Bank had 13.04 percent of the deposit market share in Connecticut (\$16.5 billion), up from 12.82 percent a year earlier.

People's United Bank, Wells Fargo and TD Bank rounded out the top five lenders in the state, owning 13.01 percent, 7.10 percent and 5.39 percent of the deposit market respectively, FDIC data shows.

Overall, larger national and regional banks continue to dominate the Connecticut banking scene.

The state's 10 largest banks, which all have a national or regional presence, own 85.3 percent

Connecticut Deposit Market Share Leaders

Institution Name	No. of Offices	Deposits (in 000s)	Market Share
Bank of America	140	29,974,616	23.68%
Webster Bank	118	16,509,443	13.04%
People's United Bank	149	16,465,476	13.01%
Wells Fargo Bank	75	8,982,455	7.10%
TD Bank	71	6,827,746	5.39%
CT Total	1,212	126,576,977	

SOURCE: FEDERAL DEPOSIT INSURANCE CORP.

of Connecticut deposits, FDIC data shows.

Bank of America has long dominated the Connecticut market, but its position has weakened a bit. At the end of June 2014, for example, the bank owned 25.72 percent of Connecticut deposits, FDIC data shows. The smaller market share comes as the bank shrinks its office footprint in Connecticut, a trend happening among many banks statewide, as lenders curb their branch networks and invest more in digital services.

Bank of America had 140 branches at the end of June, down from 142 last year. Connecticut banks recorded a collective 1,212 branches in June, 23 less than a year earlier. Among the state's 10 largest banks, only Liberty Bank and Wells Fargo added branches over the last year.

Overall, deposits for Connecticut's 62 banks totaled \$126.6 billion at the end of June, a 5 percent increase from a year earlier.

— Greg Bordonaro

SPOTLIGHT ON: COMMERCIAL



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BY THE NUMBERS

\$68.3M

The amount of annual revenue the state of Connecticut is projected to lose once Springfield's MGM Casino opens in the fall of 2018.

38%

The percentage of the 361,521 Connecticut households that earn less than the basic cost of living, according to the latest United Way ALICE Report.

\$133M

The budget deficit that state budget director Ben Barnes projected in a Sept. 6 memo to agency heads asking them to keep their spending requests lean, according to the CT Mirror.

35%

The percentage of the 117 Connecticut businesses recently surveyed by the Connecticut Business and Industry Association that said they predict economic conditions in the state will improve in the short term.

TOP 5 MOST READ

on HartfordBusiness.com

- UTC reducing pension obligations by \$1.77B
- OFA: MGM casino impact on CT revenues likely to increase
- Report: Rocky Hill shows strongest economic growth in region
- Henkel bringing Arizona operations to CT
- Moody's downgrades Hartford's debt rating

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James Shmerling, CEO, Connecticut Children's Medical Center

TOP STORY

CT Children's, Yale New Haven in talks to create regional pediatric-care system

Connecticut Children's Medical Center last week announced it has agreed to discuss a partnership with Yale New Haven Hospital to create a new Connecticut and regional system of pediatric care.

In a written statement, the Hartford-based care provider said its "talks are at an early stage and are ongoing," and that both Connecticut Children's and Yale have a vision to build a pediatric-care system that has national prominence.

The talks come at a time when hospital mergers have become the norm in Connecticut, as care providers adapt to changing payment systems and pressures to improve care quality while also lowering costs.

In a January interview with the Hartford Business Journal, Connecticut Children's CEO James Shmerling acknowledged the financial hurdles his hospital needed to overcome.

One of the hospital's biggest challenges is that more than half of its patients are on Medicaid, which doesn't fully cover actual costs. In fiscal 2015, however, Connecticut Children's reported a \$23.6 million operating surplus.

ECONOMY & LABOR

Survey: Businesses cultivating patience for CT economy

Nearly half of Connecticut business leaders expect stable conditions for their firms over the next quarter, a new economic survey from the Connecticut Business and Industry Association has found.

The 2016 CBIA/Farmington Bank 2nd Quarter Economic and Credit Availability Survey reports that 49 percent of companies expect conditions to remain unchanged in the short term compared with the previous quarter.

Just over one-third — 35 percent — said conditions would improve, a 5 percent increase from the first quarter survey, while 17 percent expect their firm's outlook to worsen, a 2 percent decrease.

The same holds true roughly for workforce predictions, with 53 percent of company leaders expecting no change. About 32 percent say their workforces will grow, while 14 percent expect to cut positions.

Report: CT households still struggling to make ends meet

More than one in four individuals in Connecticut households work while earning less than what is needed to thrive financially, according to the latest United Way ALICE Report.

Two years ago, United Way introduced ALICE, which stands for — Asset Limited Income Constrained Employed — to place a spotlight on a large population of residents in Connecticut, a wealthier state, who are working, but have difficulty affording the basic necessities.

ALICE and poverty households combined account for 38 percent of households in the state that struggle to make ends meet. A total of 361,521 Connecticut households fall into what the study describes as the ALICE population. These households earn more than the official U.S. poverty level, but less than the basic cost of living. This is more than 2.5 times the number of households that fall below the federal poverty level.

MANUFACTURING

Stanley Black & Decker to buy Newell Tools for nearly \$2B

New Britain's Stanley Black & Decker is acquiring Newell Tools and its Irwin and Lenox brands for approximately \$1.95 billion, the companies announced.

In his first big move since becoming Stanley's new president and CEO this summer, Jim Loree said the deal represents the company's first major acquisition since 2013.

Newell Tools is a large manufacturer of hand tools and accessories, with approximately \$760 million in revenues and more than 2,500 employees, Loree said. The business and its brands will complement Stanley's global tools and storage business under Senior Vice President and Group Executive Jeff Ansell's leadership, Loree said.

The acquisition fits into the company's growth strategy, said Loree, which is to "leverage our scale and scope in terms of our manufacturing processes, our culture of innovation and our relationships with our key customers. ... We are charting a course toward doubling the size of the company by 2022."

The transaction is expected to close in the first half of 2017, pending regulatory approvals.

ENERGY & UTILITIES

Avon Water Co. to join CT Water Service in \$32M deal

The Avon Water Co. and Connecticut Water Service Inc. have reached an agreement to join forces, in a deal expected to close in April 2017, the firms announced.

Connecticut Water is a parent holding company based in Clinton and conducts its regulated water operations in Connecticut and Maine through its operating subsidiaries, The Connecticut Water Co. and The Maine Water Co.

Avon Water serves about 4,800 customers in the Farmington Valley communities of Avon, Farmington and Simsbury, and is located near Connecticut Water's existing operations in Avon and Farmington.

The agreement provides for the payment of stock consideration valued at approximately \$26.2 million and a cash payment of \$6.2 million for a total payment to shareholders of \$32.4 million. The deal requires approval by shareholders and regulators in Connecticut and Maine.

INSURANCE

Aetna to limit telework, cut back workforce

Hartford health insurer Aetna has informed employees it will cut back on a long-standing practice of allowing telework, offer voluntary early retirement and reduce part of its workforce focused on state healthcare exchanges.

Aetna is in the midst of seeking to acquire Humana, a combination the U.S. Department of Justice is challenging, and has recently indicated it will pull out of Obamacare exchanges in some states.

Aetna has offered telework, which allows flexible hours working outside of the office, since at least 2005.

Aetna spokesman Matt Clyburn said that despite priding itself on being a leader in telework, "Our goal is to figure out how we can work together in the best way. Any changes involve how we can innovate and work toward continued growth."

Aetna is also offering voluntary early retirements and eliminating 800 jobs no longer needed to support participation in state healthcare exchanges.

Windsor insurer merging with Penn Mutual

Horsham, Pa.-based Penn Mutual Life Insurance Co. is combining with Windsor's Vantis Life Insurance Co., while retaining their respective brands, management teams and headquarters.

The deal is expected to expand Penn Mutual's presence in the industry by leveraging Vantis Life's bank-focused distribution model. Vantis Life will become a wholly-owned affiliate of Penn Mutual, a Pennsylvania mutual life insurer since 1847.

The deal, which is contingent upon regulatory approval, allows Penn Mutual to expand the reach of its life insurance and annuity products through Vantis Life's direct-to-consumer and bank channels, complementing the adviser network that already does business with Penn Mutual.

GOVERNMENT, POLITICS & LAW

OFA: MGM casino impact on CT revenues likely to increase



A shot of a roulette table at Mohegan Sun.

Connecticut could lose as much as \$68.3 million a year in revenue starting in fiscal 2019, once the MGM Springfield casino opens, according to an estimate from the state's Office of Fiscal Analysis.

OFA revenue analyst Christopher Wetzel recently reported the projection, basing it on the April 29, 2016 consensus revenue forecast and the projected opening of the Massachusetts casino in the fall of 2018.

In the spring of 2015, the Massachusetts casino was expected to cost Connecticut \$63.5 million in lost tax revenue in fiscal year 2018, according to the OFA at the time.

In mid-September, the Mashantucket Pequot and Mohegan tribes reopened their request for proposals to build a third Connecticut casino site with a new deadline of Oct. 15. MMCT, the Mohegan-Mashantucket Pequot joint venture, is authorized by the legislature to seek a site to fend off MGM's competition.

HEALTH CARE

Aetna, Merck collaborate on healthy outcome goals

Hartford insurer Aetna has entered into a value-based agreement with pharmaceutical company Merck for two type-2 diabetes medications, Januvia and Janumet.

Merck also becomes the first healthcare company to participate in AetnaCare, a personalized health and wellness initiative that provides members information, tools and support to take a proactive role in managing their own health.

The two companies have entered into a value-based contract that supports their objectives in helping adult patients with appropriate treatment access for type-2 diabetes. Under the pact, Merck's rebates on Januvia and Janumet will be based in part on those products' contributions to helping Aetna's commercial members with type-2 diabetes achieve or maintain treatment objectives.

Separately, the two companies are collaborating on AetnaCare, an approach that uses predictive analytics to identify target populations and proactively curate various health and wellness services as they are available to each member. The aim is to support treatment adherence and reinforce healthy lifestyle behaviors.

Nursing-home operator files for bankruptcy again

A wave of bankruptcies in the state's nursing-home industry continues, following a Ch. 11 reorganization petition recently filed by Spectrum Healthcare and its four area facilities.

Spectrum, which operates facilities in Hartford, Manchester, Derby and Torrington, filed its bankruptcy petition in Hartford federal court, according to court records.

It's the second time the Vernon-based company has filed for Ch. 11 since 2012.

The parent company and its four affiliates reported a combined \$12.6 million in assets, primarily cash. Each also reported liabilities ranging from \$1 million to \$10 million.

Spectrum emerged from its previous bankruptcy in 2013.

WHAT'S AHEAD:

■ 10/24 Focus: **CT Family Business Awards**

■ The List: **CT Family Business Awards**

■ Nonprofit Profile: **CT State Medical Society**

CALENDAR

THURSDAY, OCT. 20

IT Summit

The Connecticut Technology Council is hosting its annual IT Summit Oct. 20, featuring keynote speaker **Eash Sundaram**, the executive vice president of innovation and chief information officer at JetBlue Airways.



Eash Sundaram

The event runs from 8:30 a.m. to 4:30 p.m. at the Trumbull Marriott at 180 Hawley Lane.

There will be various panel discussions on topics ranging from big data, bi-modal IT and cloud innovation and opportunity, to responding to a data breach and how to attract IT talent.

Cost to attend ranges from \$85 to \$105.

For more information or to register go to: <http://www.ct.org/signature-event/it-summit/>.

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Traffic Jam

CT takes steps to address one of nation's worst gridlock problems

By Matthew Broderick

Special to the Hartford Business Journal

State Department of Transportation spokesman Kevin Nursick understands Americans' fascination with their cars.

"The freedom that the automobile provides is part of Americana," he said. "It's a mindset that's pretty entrenched." But increasingly in Connecticut and nationwide that freedom is coming at a price: traffic congestion.

In fact, according to two recently-released reports, Connecticut has among the worst traffic congestion in the country. According to the Urban Mobility Scorecard, a report released by the Texas A & M Transportation Institute and traffic monitoring firm INRIX, Hartford was the fifth most congested medium-sized city in the U.S., with drivers spending an average of 45 hours a year in traffic delays; New Haven ranked 11th, accounting for roughly 40 hours spent in congestion. Additionally, a report from TRIP, a Washington, D.C.-based national transportation organization that tracks both congestion and conditions of America's interstate highway system, found Connecticut ranked eighth nationally for traffic congestion, with more than 60 percent of its interstates classified as congested.

And that congestion comes at a price, with traffic collectively costing Americans more than \$124 billion a year, which is expected to increase by more than 50 percent — to \$186 billion — by 2030, according to the Center for Economics and Business.

In part, crowded highways — in Connecticut and nationwide — are due to over usage of the interstate system. While interstate highways represent only 2.5 percent of lane miles in the U.S., they carry 25 percent of the nation's vehicle travel. In Connecticut, the root cause of congestion, Nursick contends, is two-fold. "One challenge is that in previous years, there's been underinvestment in infrastructure," he said. "The other is the number of single-occupancy vehicles during peak commute times."

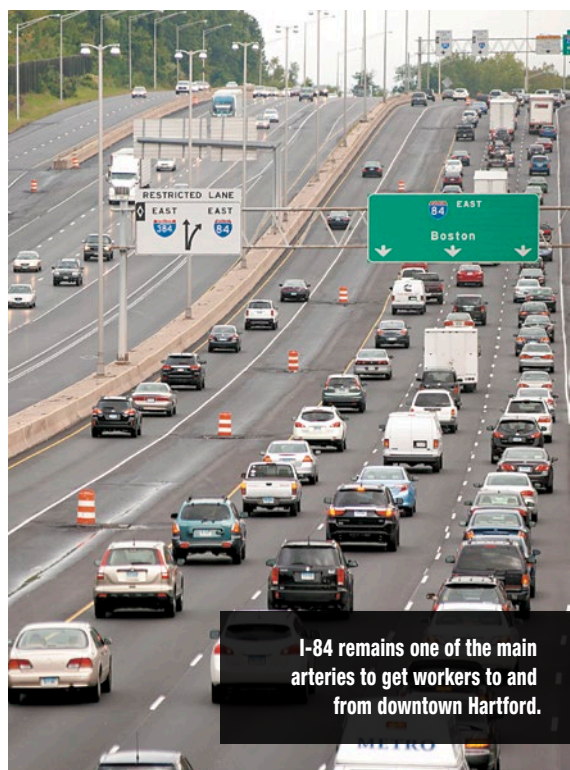
Connecticut is working to address both challenges and with good reason. According to the TRIP report, 14 percent of the state's interstate highways are in poor or mediocre condition, compared to 12 percent nationally. And 7 percent of Connecticut's bridges are structurally deficient, more than twice the national average of 3 percent. Currently, the state is in the early phases of a 30-year, \$100 billion initiative — "Let's Go Connecticut" — to improve and in some cases widen major statewide arteries.

But Nursick says improving congestion also requires a cultural shift in the commuting mentality. He points to the latest census data showing that nearly 80 percent of Connecticut workers — or roughly 1.4 million people a day — drive alone to work, while 5 percent use mass transit and 8 percent rely on carpooling, a number the state wants to increase, and has been investing the resources to do so.

"We have a substantial program called CTrides, which is designed to encourage employees to commute to work any way other than driving alone," said Jim Stutz, transportation supervising planner for the state Department of Transportation, who helps manage CTrides' business partnerships. "We currently have 393 employers working with us to promote carpooling."

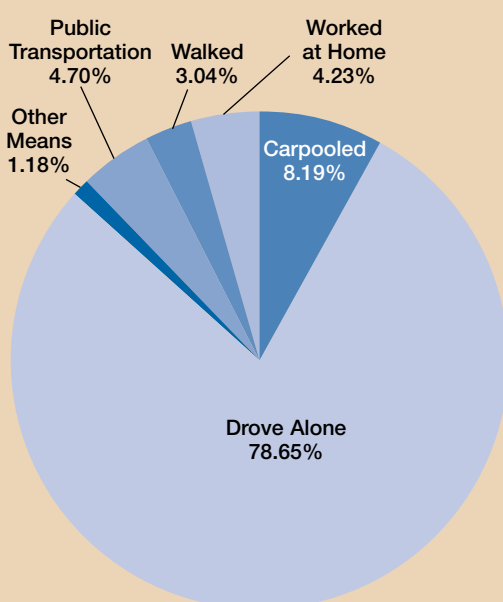
Margaret Romaniello, who manages the Hartford branch of the Internal Revenue Service, started partnering with CTrides in 2014, when the IRS moved its Wethersfield employees to Hartford as part of a consolidation. "I knew the move would be difficult for some employees who drove because there is no free parking in Hartford," Romaniello said. "So I wanted to educate colleagues about commuter options."

That's involved hosting several promotional exhibit events with CTrides personnel who, Romaniello says, can show employees individualized carpooling or mass-transit commuting options. Like many CTrides partners, the IRS offers small incentives — from raffle prizes to free bus passes — to encourage employees to start trying public transportation. "If people can try it, even once or twice a week, that's what I encourage," Romaniello said. "People



How CT residents commute to work

The chart below is a breakdown of how the 1.7 million commuters in Connecticut get to work, based on 2014 U.S. Census data.



SOURCE: THIS DATA ORIGINATES FROM THE AMERICAN COMMUNITY SURVEY (ACS) FIVE-YEAR ESTIMATES.

need to get past the need to have a car."

And while they may represent a fraction of the total commuting population in Connecticut, the number of state residents leaving their cars behind for their commute has grown, says Russell McDermott, program manager of CTrides. McDermott is quick to point out that the program, which was founded in 2005, has grown most substantially since the introduction in 2011 of NU Rides, the state's transportation incentive program, which offers a range of prizes, including gift certificates to retailers statewide, in exchange for members' using and tracking carpooling or mass-transit usage.

Last year, the program eclipsed the 40,000 member mark and has since its inception provided more than \$1 million in prizes. But the return on investment has been substantial. Since 2005, according to CTrides statistics, the program has helped save more than \$89 million in commuting costs, conserved nearly 7.5 million gallons of gas, and prevented more than 73,000 tons of emissions that would have been caused by solo commuters.

Nursick and Stutz are encouraged by those numbers but know the ultimate solution to traffic congestion won't only come from wider highways, but from shifting a well-ingrained mindset about commuting.

Slowly the state's efforts are finding converts like that IRS's Romaniello, who sees not only the cost savings of alternative approaches but the mental benefits of having someone else take the wheel.

"I do my best to avoid driving to work now," she said. ■

Q&A

CT's transportation infrastructure ranks among bottom 10 in U.S.

Q&A with David T. Hartgen, senior fellow, and Baruch Feigenbaum, transportation policy analyst, with the Reason Foundation, which just released its 22nd Annual Highway Report that ranks how state-owned road systems are performing relative to others in categories like traffic fatalities, pavement condition, deficient bridges and spending per mile.

Q: The Reason Foundation's 22nd Annual Highway Report finds that 40 states now have traffic delays that cost drivers at least 20 hours per year; states made progress on deficient bridges; state highway spending decreased slightly; and pavement conditions worsened marginally. Of those four points mentioned, which is the most troubling?

A: All are of concern, but in our view the greatest concern is traffic congestion, which increases commuter travel times and reduces regional and national productivity. With the economy growing and total vehicle-miles traveled increasing, traffic congestion has increased much faster since 2012 than it did during prior years, where the recession was playing a role in reducing travel and congestion. Without adequate improvements in road capacity, congestion is likely to continue to worsen in many states, which would negatively impact quality of life and the economy. Connecticut currently ranks 31st in congestion delays.

A: Generally, states with smaller road systems, like Connecticut's, tend to have somewhat higher per-mile administrative costs. However, this difference is very large so Connecticut could look into office costs and non-essential spending that it may be able to reduce.

Q: Connecticut ranks 44th in overall performance and cost-effectiveness rankings in your report. What drives the state's low rankings?

A: Connecticut has a relatively small state-owned road system, 4,079 miles, but it spends three times as much money per mile (\$478,000 per mile) than the average state. Per-mile expenditures for capital work, maintenance and administration are also high.

As one of the states that is spending the most per mile in these categories, taxpayers might expect superior results. But the system's condition ranks 46th out of 50 in percent of deficient

bridges and 44th in rural primary road condition. Connecticut ranks better on Interstate pavement condition (24th), narrow lanes on rural roads (12th) and fatality rate (9th).

Q: From your national perspective, what can Connecticut do to improve its standings? Are there any "easy" solutions to the issues it faces?

A: The number of deficient bridges and the pavement conditions on rural arterial roads are clearly hurting the state's overall rankings. A greater focus on those problems would almost certainly help the state's rankings. Overall, the state can look for ways to have its higher-than-average spending numbers translate into better results or it can reduce its costs.

Q: According to the report, on average, states spent \$10,000 on administrative costs for each mile of road they control. In contrast, Connecticut spent \$83,282.

What makes our roads so much more expensive to administer?

A: Generally, states with smaller road systems, like Connecticut's, tend to have somewhat higher per-mile administrative costs. However, this difference is very large so Connecticut could look into office costs and non-essential spending that it may be able to reduce.

Q: What would the impact be if the state got its administrative costs down to the national average?

A: If Connecticut's administrative costs were equal to the national average, its overall rating in this report would've improved from 44th to 35th.



DAVID T. HARTGEN

Senior fellow,
Reason
Foundation



BARUCH FEIGENBAUM

Transportation
policy analyst,
Reason
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Continued



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Commercial contractors in Greater Hartford

(Ranked by number of local employees as of Sept. 2016)

Rank	Company	No.of local employees/ Total employees	Revenue 2015	Largest 2015 job in CT/ Value	Services offered	Chief executive/ Title
1	A/Z Corp. 242 Trumbull St., 2nd Floor Hartford, CT 06103 800-400-2420; www.a-zcorp.com	374/ 452	\$233,995,137	Mohegan Sun Earth Tower, Uncasville/ \$90,065,907	Design, construction and maintenance	Perry K. Lorenz President & CEO
2	KBE Building Corp. 76 Batterson Park Road Farmington, CT 06032 860-284-7400; www.kbebuilding.com	100/ 120	\$271,355,134	Harry and Jeanette Weinberg Campus, Jewish Senior Services, Bridgeport/ \$78,400,000	Preconstruction, estimating, construction management, design-build, general contracting, building-information modeling, safety and quality control	Mike Kolakowski President, CEO & principal
3	All State Construction Inc. 449 Cooke St., P.O. Box 805 Farmington, CT 06034 860-678-0678; www.allstateconstruction-inc.com	80/ 80	\$15,141,920	Sacred Heart University residence hall, Fairfield/ \$3,700,000	Specialty contractor focusing on design and construction of general, mechanical and civil projects	Richard Pare President
4	Bartlett Brainard Eacott Inc. 70 Griffin Road South Bloomfield, CT 06002 860-242-5565; www.bbeinc.com	75/ 76	\$125,000,000	CREC Museum Academy, Bloomfield/ \$46,000,000	Construction management, general contracting and design-build	James H Eacott, III President
5	Gilbane Building Co. 208A New London Turnpike Glastonbury, CT 06033 860-368-5100; www.gilbaneco.com	74/ 2,677	\$4,500,000,000	Enfield High School, Enfield/ \$89,765,000	Construction and facilities-related services, from pre-construction planning and integrated consulting to construction	John Hawley Vice president
6	FIP Construction Inc. 1536 New Britain Ave. Farmington, CT 06032 860-470-1800; fipconstruction.com	70/ 70	\$150,000,000	Morgan High School, Clinton/ \$52,000,000	Construction management, general contracting, design-build and owner representative	William Gartland Hardy President & CEO
7	Network Interiors Inc. 55 Robert Jackson Way Plainville, CT 06062 860-793-1188; www.network-interiors.com	55/ 55	\$9,470,800	Woodruff Family YMCA, Milford/ \$1,055,000	Commercial metal framing, drywall and general contracting	Melissa C. Sheffy President
8	Newfield Construction Inc. 225 Newfield Ave. Hartford, CT 06106 860-953-1477; www.newfieldconstruction.com	50/ 50	\$100,000,000	Housatonic Community College, Lafayette Hall, Bridgeport/ \$30,000,000	Construction management, general contracting and design-build for schools, corporate, health care, senior living, multi- family housing and industrial	Damien Davis President
9	PDS Engineering & Construction Inc. 107 Old Windsor Road Bloomfield, CT 06002 860-242-8586; www.pdsec.com	48/ 48	\$54,633,194	N/A	Construction management, general contracting and design-build	Ronald Edward Jodice President
10	Downes Construction Co. LLC 200 Stanley St., P.O. Box 727 New Britain, CT 06050 860-229-3755; www.downesco.com	45 (1)/ 45	N/A	N/A	N/A	Joseph N. Desautel Jr. CEO
11	HAKS Engineers PC 101 Centerpoint Road, Suite 201 Middletown, CT 06441 860-632-5155; www.haks.net	45 (1)/ 649	N/A	N/A	Construction management, inspection, engineering, materials testing, architecture and land surveying	Husam Ahmed Chairman & CEO
12	The Associated Construction Co. 1010 Wethersfield Ave., Suite 206 Hartford, CT 06114 860-296-4114; www.accgc.com	40/ 45	\$33,100,000	The Tannery, Glastonbury/ \$46,000,000	Construction management and general contracting	Joseph D. Jankowski President
13	Consigli Construction Co. Inc. 100 Allyn St. Hartford, CT 06103 860-741-9850; www.consigli.com	35/ 850	\$915,000,000	Sacred Heart University, College of Health Professions, Bridgeport/ \$52,035,099	Pre-construction, lean practices, information modeling, quality control, LEED, sustainability and self-performance capabilities	Anthony Consigli CEO

Source: Each company via survey. Note: This list includes only construction managers or general contractors who attend projects on-site daily and who have bonding. N/A = Not available.
(1) Figure from 2015 survey.
—Compiled by Stephanie R. Meagher.

To view the full list, please visit HartfordBusiness.com



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Q&A

Larson: \$10B tunnel plan will reshape Greater Hartford

Q&A talks to U.S. Rep. John Larson (D-CT) who recently unveiled a \$10 billion plan to replace a stretch of I-84 and I-91 through Hartford with two separate highway tunnels.

Q: What was the genesis of this plan?

A: This is all about a long-term vision. I wanted to examine the big infrastructure challenges our region faces and what we want our communities to look like for generations to come. Replacing the Aetna viaduct presents an enormous opportunity to reshape the Greater Hartford region for the better. In my view, there is no reason we should be wedded to a highway configuration that was laid out in the middle of the last century in order to accommodate the G. Fox department store, which has long since closed. Let's have a vision for our future.

What I am proposing is burying I-84 in a tunnel under much of Hartford and into East Hartford as well as tunneling I-91 in Hartford along the Connecticut River. This will cost more than the current alternative under consideration but it will provide greater benefits and has the advantage of solving the region's infrastructure challenges in a holistic manner.

The Aetna viaduct will become an urban boulevard that will reconnect neighborhoods in Hartford that have been tragically divided for a half-century. It will also be a tremendous boost to East Hartford by allowing the current mixmaster interchange that takes up acres of valuable real estate to be repurposed into developable land. When you add to this reverting the Bulkeley, Founders, and Charter Oak bridges into boulevards for local traffic,

pedestrians and bicyclists, what you are left with between Hartford and East Hartford is a livable, interconnected community.

Furthermore, it provides a solution for one of the most crucial challenges facing both sides of the River: the continued erosion of our levees.

On top of that, by tunneling I-91, you open up access to Hartford's riverfront from downtown all the way to Coltsville, our newest national park. Not only will this make the riverfront accessible to recreational and development opportunities but it will facilitate needed improvements to the levee system, which remain vulnerable due to the current configuration along I-91. Finally, by keeping the viaduct in service during construction of the tunnels, we avoid the massive disruption to the city that businesses and residents are fearing may happen under the current plans to replace the viaduct.

Q: You said you are going to pursue federal money to help pay for the project. How much in federal funds are you chasing after? How much would the state have to chip in? What are the chances of a divided Congress passing such a spending measure?

A: I strongly believe that no matter the outcome of the upcoming election, there will be a bipartisan push in Congress to do something big on infrastructure. Connecticut needs to

be ready with a plan if funding becomes available. According to the American Society of Civil Engineers, our nation needs to invest \$3.6 trillion by 2020 to maintain our crumbling infrastructure. We know that investing in infrastructure boosts the economy. This is the type of project that we need to put people to work and to build the foundation for our economic future. We are working with ConnDOT to include this more comprehensive approach in their study, but we're confident this is a solution that will pay off in both the short and long term.

Q: Your plan calls for tolls at the entrances of the tunnel. Won't tolls discourage people from driving into Hartford and have the opposite intended effect of what this project sets out to do? Why not put tolls at the state's borders instead? Are there any other funding options?

A: All funding options have to be on the table. That includes a federal infrastructure bank, gas tax revenue, and we need to examine tolling as well. A significant portion of the 275,000 vehicles that utilize the I-84/I-91 interchange every day are driving through Connecticut. These interstate vehicles get a free ride while they clog our highways and create wear and tear. Tolling may not be the only solution but we ought to take a hard look at it as an option. Connecticut residents pay tolls in other states. It is about time out-of-state drivers pay us in return. Furthermore, current highways and bridges will be repurposed, providing Connecticut residents with a variety of local routes.

Q: Why make this proposal now, especially when the state Department of Transportation has been studying the reconstruction of the I-84 viaduct for several years and recently ruled out tunnel construction?

A: The decisions we make now will shape our region for generations. What is important is that we take the time to get it right so that we don't build something that is obsolete the moment a shovel goes into the ground. That is what happened with the Aetna viaduct. Because of decisions made in the 1960s, Hartford was divided for half a century. It would be a tragedy if we didn't seize this opportunity with a long-term vision. I also look at our major employers such as the Aetna, Travelers, St. Francis Hospital, and others who would be greatly affected if we have to shut down I-84 for an extended period of time while the viaduct is rebuilt. Tunneling allows us to keep the viaduct open during construction so that we don't have to shut the city down.

Q: What kind of response have you received from this proposal?

A: The reception that this concept has received has been tremendous. The business community has embraced the idea, the mayors of Hartford and East Hartford understand the benefits, and this will be great for our construction industry. People are excited to do something for our future. Will there be a cost? Of course, but those costs will be spread out over multiple years during construction, and once you've made the investment up front, the benefits will be there for generations. ■

Q&A: Hartgen & Feigenbaum

Q: Connecticut ranks 47th in total disbursements per mile and 50th in administrative disbursements per mile. Massachusetts is 48th in both areas, and Rhode Island is 45th for both. Is there something about Southern New England driving this? Or is it more a political than geographical issue?

A: Southern New England's road systems are typically older, winters are severe, unit

costs are higher, and traffic is denser than in many other states. But other states with similar conditions, like New Hampshire (26th overall) and Maine (fifth overall), are ranked higher. So attention to both internal (e.g. agency and budget) and external (e.g. road maintenance and construction policies) factors impacting the state's spending can be helpful.

Each state has its own geography, traffic,

weather and development patterns, which cannot be changed. However each state's road investment and management policies can be shifted to focus on areas of need and make sure its spending is achieving its goals. Becoming more efficient requires long-term commitment from state leaders.

Q: When it comes to Connecticut highways, what's being done right?

What's stopping the state from being 50th in your rankings?

A: Connecticut can be proud of its relatively low fatal accident rate (ninth), a low percentage of narrow lanes on rural roads (12th), and a relatively low percentage of pavement in poor condition on urban interstates (26th). These successes can serve as guideposts for improvement in other parts of the state's system. ■

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DEAL WATCH



Former Simsbury mansion turned commercial building at 690 Hopmeadow St.

Ex-Simsbury mansion for sale at \$2.25M

A 17,000-square-foot former downtown Simsbury mansion converted to commercial use is on the market for the second time in three years, with a \$2.25 million asking price, brokers say.

The vacant, three-story brownstone at 690 Hopmeadow St. was built as a home-office by businessman Joseph R. Ensign in 1905 and known locally as "The Mansion at Chestnut Hill," according to Hartford listing broker CBRE-New England.

Over the years, the mansion on 3.24 acres was converted to strictly commercial use and leased to various tenants, most recently as a branch for Webster Bank.

The land on which it sits is approved, CBRE-New England said, for mixed-use development including multi-family/condominiums, office, medical office and hotel, as well as specialty uses including bed and breakfast and health/spa/wellness.

Chestnut Hill Associates of Simsbury LLC in spring 2013 paid Webster \$1 million for the property. The bank had vacated the building the previous November, to take up space for a new branch up the block, at 708 Hopmeadow St.

Chestnut Hill Associates said at the time that it had plans for the structure but did not elaborate.

\$3.8M Avon listing

The vacant Avon commercial building that over the years has housed several retail-furniture stores is for lease or sale for \$3.8 million, brokers say.

The 20,500-square-foot building on 2.73 acres at 16 Waterville Road/Route 10, at the intersection of Route 44/Albany Turnpike, is offered for lease at \$20 a foot triple net, said Newington listing broker Reno Properties Group Inc.

The property most recently housed the Broyles Furniture & Rugs showroom. Before that, it was home to Nassau Furniture for a number of years.

The property has parking for 70 vehicles. The building got a new roof in 2012, Reno said.

Lockton's Farmington relo

Independent insurance broker Lockton Companies is relocating its Farmington offices from one side of town to the other, brokers say.

The Kansas City, Mo.-based Lockton signed a long-term lease with landlord Fusco Corp. for 14,813 square feet of Class A space at 76 Batterson Park Road.

Lockton has been housed at 195

Gregory Seay



Scott Swamp Road.

Colliers International represented Fusco. Cushman & Wakefield was Lockton's broker.

Adaptive Movement's space

Fitness promoter Adaptive Movement Parkour has leased 13,000 square feet in New Britain, brokers say.

AMP leased space in the two-story industrial building at 60 Peter Court from landlord Maxwell P. Coltrain, said broker Reno Properties Group Inc.

Brokers say the building was converted to accommodate the growing Connecticut fitness and sports craze of "free-running" around obstacles and over barriers, also known as "parkour."

\$4.75M Plainville listings



Plainville's Olde Canal Square Shopping Center.

Two Plainville retail buildings comprising 35,000 square feet are on the market for \$4.75 million, brokers say.

Known as Olde Canal Square Shopping Center, both are at 35 Farmington Ave. and have a mix of retail and commercial tenants, according to listing broker Reno Properties Group Inc.

Tenants include AAA, Bagels Plus, D&L Nail Salon and Pottery Piazza. ■

Deal Watch wants to hear from you. E-mail it, along with contact information to: gseay@HartfordBusiness.com. Gregory Seay is the Hartford Business Journal News Editor.

Tweak could open energy-cash faucet



HBJ PHOTO | MATT PILON

110 Sherman St., Hartford

Project Cost: \$308,522

Estimated Project Savings: \$18,039

Actual Savings So Far: \$3,387

Description: Following the failure of pneumatic controls in the building, which houses the Attorney General's office, air conditioning stopped working and the property lost control over heating zones. The state installed a digital electronic-control system, meant to reduce consumption of both electricity and steam piped from the nearby UConn Law campus.

for the public to track results. DEEP published annual reports online earlier this month covering 2014 and 2015, following the publication of Acadia's report.

"We regret that reports on the progress of the Lead By Example program were delayed and not submitted on the required annual basis, although we provided updates on our web site on a regular basis and responded to requests for information," DEEP spokesman Dennis Schain said.

Financing challenge

It's likely Lead by Example will need far more than the original \$20 million to shave 20 percent off of the 3.9 trillion British thermal units of electricity and natural gas the state used in 2010, which is the equivalent of how much power 130,000 average households use in a year.

Besides the cost and complexity of projects, particularly larger ones, the state's realty portfolio is massive, with approximately 4,000 buildings and a nearly equal number of separate utility accounts.

"The \$20 million, I think it was a start," Duva said, adding that DEEP is already preparing to add \$38 million of its own previously approved bond funding to push several large energy-efficiency projects forward. "It gets some projects going and proves the concept that there's a good return on investment for energy efficiency in state buildings."

The next major project on deck is Connecticut Valley Hospital in Middletown, which would receive \$33 million from DEEP's own pot of money to finance an energy-performance contract projected to save the state facility \$1.8 million a year. Under such an arrangement, an energy contractor would guarantee a certain level of energy savings, which would pay for the upfront costs over time.

The Department of Motor Vehicles would



PHOTO | HBJ FILE

Rentschler Field, East Hartford

Project Cost: \$280,702

Estimated Project Savings: \$168,010

Actual Savings So Far: \$254,628

Description: This project included the installation of a new HVAC control system that can vary its output based on occupancy, temperature and other sensor-detected settings. The project also included the rewiring of individual lighting zones and the installation of lighting sensors in stairwells. A recovery system for ventilation captures duct exhaust to offset electric usage from duct heaters and other equipment in the colder months.

receive the remaining \$5 million, while DEEP hopes a third large project involving the Department of Corrections will receive upfront financing from the quasi-public Connecticut Green Bank. The three combined would save an estimated \$6 million a year, nearly tripling the financial savings of the LBE program to date. Still, even if those projects are completed, they're unlikely to make a large enough impact to get the state to its 20 percent reduction goal by 2018, according to Acadia's Dornbos.

Duva said there are other opportunities for major energy savings, but to complete

additional efficiency projects, DEEP and the Green Bank will likely need the legislature's help.

Bert Hunter, the Green Bank's chief investment officer, said private financiers have plenty of appetite to invest in energy-performance contracts at state facilities, but Connecticut's bond cap creates a hurdle.

As it currently stands, borrowing for such projects — even though they generate revenue in the form of negotiated, guaranteed savings — counts toward the bond cap and therefore must compete with many other requests for funding.

Several states, such as Massachusetts, have exempted such green bonds from their caps, Hunter said, and the Green Bank would like Connecticut to take similar action. Hunter said the agency has had some discussions with legislators but cautioned that talks are preliminary.

"It'll be a challenge to move forward, certainly with the volume of projects that are necessary," if the bond-cap exemption isn't greenlighted, Hunter said. "It's not to say we wouldn't be able to move forward, but the volume would be less."

Energy comparisons tricky

Despite the millions of borrowed dollars spent so far on reducing the state's energy use, estimates suggest the state's energy



PHOTO | HBJ FILE

Connecticut Convention Center, Hartford

Project Cost: \$2.2 million

Estimated Project Savings: \$131,000

Actual Savings So Far: \$285,990

Description: This work included two separate projects at the Convention Center. The first was an installation of efficient LED lighting. The second was a "retrocommissioning" process that included HVAC upgrades, occupancy sensors and hot water conservation measures.

consumption may actually be rising.

To measure its progress, DEEP has been using data from the Office of Policy Management that shows 2010 energy use of approximately 3.9 trillion BTU.

But DEEP's recent Lead by Example report estimated the state's total energy in use at 4.5 trillion BTU, a 15 percent increase from 2010.

While the mix of state properties is ever changing, and there has been new construction — at UConn for example — Duva cautioned against relying too heavily on the 2010 consumption estimate, which she said was compiled from paper records and was likely missing a number of properties and utility accounts.

"I don't think we have a complete picture of what our energy use was in 2010," she said. "I wish we had better information to work from."

She said she has far more confidence in the more recent estimate, as the state's methodology for collecting energy-consumption data has become more sophisticated. DEEP has been using software to streamline energy-data collection from agencies and utilities.

"The simple conclusion anyone can draw from our energy work is we're making good progress," Duva said. "The real challenge ahead of us is how we can scale up sustainably." ■

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Home care seeks government support

Online that Right at Home caregivers use when they clock out from that day's client care. Instead of simply clocking their departure, Harvard added questions that a caregiver will answer on whether they noticed any change with the client during the shift, which could include things like changes in skin, ambulation, eating and toileting. Affirmative responses are sent immediately to case managers who decide the next course of action, such as a nurse's visit or a call to a doctor or family member.

"We believe that being proactive and catching those things sooner and prompting the caregiver is a benefit for the client," said Mike Flair, vice president of franchise business solutions for Right at Home in Omaha, Neb., where the company is based.

Previously, Right at Home caregivers would report changes in condition to case managers, in addition to noting them in log books in clients' homes, but the new system proactively prompts caregivers at the end of each shift to ensure they're not forgetting to report any changes.

The real-time reporting is key, Grabowski said.

"I really think that's the big intervention here, this kind of reporting in real time at the end of a shift that allows the care manager to address something before it escalates into a problem that may necessitate a hospitalization," Grabowski said of the study, titled, "The Intervention in Home Care to Improve Health Outcomes."

Grabowski expects to collect data on more than 10,000 individuals during the study, which began last year and will run through 2017.

"We'll have a really big number of care encounters to base any sort of inferences we have here on, so that's really exciting," he said.

In preliminary observations from early adopters of the model, caregivers reported a change in condition after 2 percent of all shifts.

The most common condition change was the care recipient seeming different, like reduced alertness or talking less, amounting to 40 percent of changes, Grabowski said. Another 20 percent were mobility changes, 16 percent were skin-condition changes, 10 percent were toileting changes and 14 percent were changes in eating or drinking.

"It will be important as we follow this to see the impact here that it ultimately has, but I think so far we're definitely seeing value just in terms of tracking where patients are at in terms of their changes in condition," Grabowski said. "We've also introduced some of the hospitalization tracking as well around when individuals go to the hospital so they can have a real-time sense of not just when there's a change in condition, but also any sort of hospitalization, to look at not just ... changes, but also the outcomes here."

Local participation

Harvard has brought groups of Right at Home offices into the study in phases to provide control groups against which to measure the effects of real-time intervention on preventing hospitalization. About 140 offices had been brought in before the group of 70 coming online by November and the final group of 70 will go online next spring.

Offices such as Right at Home in Hartford County have served as a control group until they go online with the intervention reports.

Harvard can look at offices that had the intervention technology and those that did not, and compare the rate of hospitalization. "So that's a cornerstone of the whole program, reducing hospitalization," Flair said.

Robert Scandura, CEO and owner of Right



Robert Scandura shows a display in his Wethersfield office of a uniform and Navy Cross of late World War II veteran Whitney W. Jacobs of Manchester, for whom his company, Right at Home, cared. Also displayed is a framed letter from a Jacobs relative who gave Scandura the items as a thank-you for caring for him.

at Home for Hartford County, is excited to have Harvard conducting the study.

"As a person who cares about caring for the elderly I think this Harvard study is a great thing," Scandura said. "However, as a businessman, I feel that having the Harvard study separates us from everyone else and sets Right at Home as the industry leader."

He said his caregivers already call in clients' changes in condition right away, but the ClearCare reports will give Harvard the data it needs to track the impact of real-time interventions as they're made.

Scandura's Right at Home office, based in Wethersfield, is the franchise's largest in the world based on revenue, according to Flair and Scandura. Scandura said he has about 250 clients and more than 300 caregivers. Nonmedical client services include help toileting, bathing, cooking, errands and other personal care, plus medication reminders.

Scandura's office does not provide nursing care, but he has 10 RNs who help oversee cases as an "extra set of eyes" on clients.

Most families pay for the care themselves or through programs like long-term care insurance, Scandura said. About a sixth of his clients qualify for Connecticut Community Care Inc. (CCCCI) coverage, which applies to income-qualified clients moving from a nursing facility to home care and who are moving into homes that are insured and bonded, such as Right at Home, he said.

"Essentially, they'll pay us to keep people at home, take care of people at home," Scandura said. "If this was done on a national level, just think about the savings that the government could have."

That's the point Right at Home hopes the Harvard study makes as the industry tries to play what one executive called a more prominent role in the healthcare continuum.

"We're a lower-cost option," Flair said. "We're not replacing the medical profession ... but we're able to supplement what the healthcare providers are doing with some pretty, what we call low-tech, low-skill type intervention and this one is a prime example of it."

Harvard also aims to apply a numeric value to the cost of reduced hospitalizations, he said.

With that kind of data, Flair hopes the Harvard study helps get home care a "seat at the table" in the national healthcare discussion.

"As the healthcare system is evolving and pushing more care out into the home, we hope ... to be sort of in line to receive reimbursement for providing care for someone in order to ... keep them from going back to the hospital," Flair said, noting most private-duty home care agencies are not reimbursed by government insurance.

"Right now, there's a fairly large chasm between home care, what we do, and home health care and care professionals," he said. "I don't mean this in a negative way ... we're sort of stepchildren in the grand scheme of health care. We're looked at as kind of way out there and we're trying to ... align ourselves closer to healthcare providers, meaning, yes, we're kind of at the lower end of that in terms of complexity and skill sets and so forth, but we still play an important role. We hope to get more attention from healthcare policymakers and the government in general in terms of the value of home care."

If home care can save healthcare costs, healthcare dollars can stretch further, he said.

Ideally, such care would qualify for Medicare reimbursement, he said. Since 2008, Connecticut has adopted a program that incentivizes the elderly and disabled to join community-based or home care programs, rather than checking into nursing homes, as a way to lower long-term care costs to the

Medicaid program, which spent \$1.19 billion last fiscal year on nursing homes, according to the Department of Social Services (DSS).

Right at Home sees clients all the time who would benefit from home care, Flair said, but because there's no government reimbursement, families typically end up footing the bill.

Personal touch

Back in his Wethersfield office, Scandura's affinity for the elderly is evident in the many thank-you letters tacked to an office wall, many from family members thanking Right at Home for its care of a mom, dad, uncle, brother, sister, etc.

He's especially fond of World War II veterans for whom his office has cared and one wall contains a framed uniform and Navy Cross of a veteran, along with a framed letter from a relative who gave Scandura the items as a thank-you for caring for Private Whitney W. Jacobs of Manchester. Jacobs, of the U.S. Marine Corps Reserve, was awarded the Navy Cross in 1942 for extraordinary heroism in the Battle of Guadalcanal.

Scandura said he got choked up when the family gave him Jacobs' items. Scandura said he's a World War II buff who volunteered when he was at the University of Connecticut to drive veterans to area legion posts and memorials, or out to lunch or events, and he enjoyed hearing their stories.

Before he met his wife, he lived for about 20 years with his grandparents after college and enjoyed the impact he had on their lives, taking them to dinner, shows and sharing their company.

He worked first in the technology industry before joining Right at Home about 10 years ago.

"As many headaches as you can have in this business, when you get one letter saying, 'I don't know what I would have done without you,' that kind of makes my day," Scandura said. ■



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Dr. Jeffrey A. Gordon



Dr. Saud Anwar



Tanya Barrett



Derek Noble



Chris Waltz

Ericson Insurance Advisors president heading national insurance group

Spencer Houldin, president of Ericson Insurance Advisors in Litchfield County, was recently installed as the 112th and youngest-ever chairman of the Independent Insurance Agents & Brokers of America (IIABA), a post not held by someone from Connecticut in more than 60 years.

Houldin, 47, runs Ericson with his brother, Peter Houldin. The firm has offices in New York City and Boston, and its staff of 22 insurance professionals handles accounts for more than 5,000 clients throughout the U.S.

Mark Twain House & Museum announces new board members

The Mark Twain House & Museum announced that **Carolyn M. Johnson**, CEO, Insurance Solutions for Voya Financial, and **Charles H. Klippel**, senior vice president and deputy general counsel, health for Aetna, have been elected to its board of trustees.

Johnson is responsible for Voya's annuities, individual life and employee-benefits businesses. Prior to this role, Johnson was president of Voya's annuities business, a role that she held since she joined the company in 2014.

Klippel joined Aetna's law department in 1981. After a brief assignment as an investment attorney, he became the department's first full-time health lawyer and has held various legal positions in the company. In 2000, Klippel assumed his current role managing legal support for the company's health operations.

Harvey & Horowitz PC names principal

Rocky Hill accounting firm Harvey & Horowitz PC has named **Benjamin Thompson** a principal. Thompson joined the firm in 2012 and has more than a decade of experience in providing audit and accounting, as well as tax and consulting services to clients in various industries.

Thompson is responsible for the firm's employee-benefit plan audit division.

CT Medical Society installs 178th president

Dr. Jeffrey A. Gordon was sworn in as the 178th Connecticut State Medical Society president in September. A hematologist-oncologist at the New London Cancer Center, Gordon is the first Windham County physician to serve as CSMS president in 30 years.

Gordon is dual board-certified in adult hematology and medical oncology, has held academic appointments at the University of Connecticut School of Medicine and the University of Massachusetts Medical School, and held a number of leadership positions at Day Kimball Hospital, where he was medical director of hematology-oncology services from 2003 to 2011.

Dr. Saud Anwar, chair of the Department of Internal Medicine of Manchester Memorial and Rockville General hospitals, and **Tanya Barrett**, senior vice president of 2-1-1 Health and Human Services, a program of the United Way of Connecticut. They will serve through June 2019.

CT Health board elects new members

The Connecticut Health Foundation (CT Health) board of directors has elected two new members: **Dr. Saud Anwar**, chair of the Department of Internal Medicine of Manchester Memorial and Rockville General hospitals, and **Tanya Barrett**, senior vice president of 2-1-1 Health and Human Services, a program of the United Way of Connecticut. They will serve through June 2019.

Steffian Bradley Architects announces new stockholders

Steffian Bradley Architects (SBA), a design firm specializing in architecture, planning, interiors, lighting and urban design, announced that **Derek Noble** and **Chris Waltz** are now stockholders in the company.

Noble has worked in SBA's Enfield office for more than 10 years, serving as principal and design director. He contributes more than 20 years of design

experience to the firm in architectural and interior design, space programming and planning, site design, and construction methodology.

Waltz, a principal and operations director in SBA's Enfield office, brings special expertise in accessibility, sustainability and building technology. He has diverse experience in the academic, healthcare, residential and senior-living sectors across the U.S. and abroad.

Consulting Engineering Services names new president

Consulting Engineering Services (CES), a full-service mechanical, electrical, plumbing (MEP) and fire protection engineering design and commissioning services firm, has named professional engineer **Michael B. Walsh** the second president in CES history, effective Jan. 1. Walsh is currently a vice president in the firm, which has an office in Middletown, and leads commercial design teams and CES's commissioning practice.

George Keithan will step down as president and remain CEO and a principal in the firm, focusing on engineering and mentoring staff. Keithan founded the company in 1994 and has served as president and CEO since then.

Walsh joined CES in 2005.

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	2013	2014
Total Employees	43	61
Total Assets	\$572,783	\$992,311
Total Liabilities	\$70,568	\$634,944

REVENUES

Contributions & Grants	\$953,051	\$882,022
Program Service Revenue	\$702,457	\$817,710
Investment Income	\$296	\$112
Other	\$44,414	\$75,972
TOTAL	\$1,700,218	\$1,775,816

EXPENSES

Grants	\$0	\$0
Member Benefits	\$0	\$0
Salaries/Employee Benefits	\$829,802	\$963,051
Fundraising Fees	\$0	\$0
Other	\$806,834	\$957,613
TOTAL	\$1,636,636	\$1,920,664
MARGIN	\$63,582	\$(144,848)

TOP PAID EXECUTIVES (FY 2014)

	Base Salary	Total Compensation & Benefits
Cary Wheaton , Exective Director	\$145,696	\$157,696

SOURCE: GUIDESTAR IRS 990 TAX FORM



Dino Ricciardone, Main Street Willimantic branch manager delivers donation check to Project Genesis Inc. team members.

manufacturing industry ambassadors to area youth, promoting work in the industry and dispelling misconceptions about it.

East Hartford-based Pratt & Whitney, a division of United Technologies Corp., is the first manufacturer in Connecticut to support the program. Pratt & Whitney employees, typically ages 26 and under, will reach out to primary and secondary school students and deliver the message that manufacturing is a rewarding career path.

As a Catalyst sponsor, **The United Bank Foundation Connecticut** donated **\$20,000** to the **Aurora Foundation** for their Signature Breakfast. The annual event attracts over 500 business, community and government leaders from the Greater Hartford region with all net proceeds from the event going to their community investment program.

The United States Department of Labor has awarded the **Connecticut Department of Labor** **\$924,509** to improve technology for existing workforce services and programs. The National Dislocated Worker Grant will help unemployed residents, jobseekers and employers better connect to workforce services.

Junior Achievement of Southwest New England received a grant from **Santander Bank** to bring financial literacy programs to students in Hartford schools. The programs will teach students concepts related to budgeting, saving and money management with the intent of promoting the development of good financial habits.



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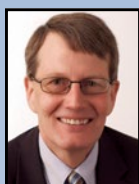
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EDITORIAL

CT's wealth gap a threat to economy

The United Way's second annual ALICE report painted another striking picture of two distinct Connecticuts.

There's the affluent state in which Connecticut remains one of the wealthiest places in the nation, with an average per-capita income 141 percent above the national level. But there's also a growing population — 38 percent of the state's 1.36 million households to be exact — struggling financially, unable to afford basic needs such as housing, child care, food, health care and transportation.

This resource-strapped population includes households living below the federal poverty level and those living above that level but who still struggle to meet what the United Way calls the average "household survival budget" for a Connecticut family of four, which ranges from \$66,168 to \$73,716 — more than triple the U.S. family poverty rate of \$23,850. United Way has aptly labeled this group ALICE — for Asset Limited, Income Constrained, Employed.

Make no mistake, this widening wealth gap, which mirrors a trend nationally as well, is a threat to the future well-being of Connecticut. Unfortunately, Connecticut's policies, along with an aging population and technology replacing the human workforce, only threaten to exacerbate the problem.

Connecticut's ongoing budget crisis will likely lead to a continuing decline in government services to the state's most vulnerable residents, putting even more pressure on poverty-stricken families to fend for themselves. Certainly the Great Recession had a major negative impact on the job-status and wages of many state residents, but it's now been more than a half decade since that downturn struck. Since then, Connecticut's economic recovery has lagged the nation's, and our fiscal position remains weak, despite lawmakers passing two of the largest tax increases in state history since 2011.

Continuing to raise taxes to ensure the same level of government services remains intact, however, is not the answer. That will only exacerbate the problem by encouraging more employers and mobile residents to flee the state. Connecticut's tax-and-spend policies have contributed to the gradual replacement of our well-paid, skills-based occupations with low-wage jobs. In 2014, for example, 49 percent of jobs in the state paid less than \$20 per hour, with two-thirds of those paying less than \$15 per hour, the United Way report said. Projections show low-wage jobs will continue to increase in the year's ahead.

To be clear, Connecticut still has a highly-skilled and educated workforce, but that competitive advantage is slipping, especially with the out-migration the state has experienced in recent years. From July 2014 to July 2015, Connecticut lost a net 3,876 residents, or 0.11 percent of its population, one of only a handful of states to see its citizenry shrink. Typically those who move out of state are younger residents or people with the financial wherewithal to do so — two groups Connecticut desperately needs to retain and grow.

There are no easy answers to reverse course and a market correction won't happen overnight. But the only way Connecticut will be able to regain its economic vigor of days past is by improving the education prospects of its citizenry, particularly urban and minority students, and attracting more high-quality jobs. That, of course, will require state lawmakers to improve the business climate and not resort to tax increases (and new regulations), at a time when pressures to do so remain at an all-time high.

Now more than ever, we need a policy environment that invites private-sector infrastructure and human capital investment. ■

► **Now more than ever, we need a policy environment that invites private-sector infrastructure and human capital investment.**

OTHER VOICES

Getting rid of a boondoggle for package stores

By Edward P. Stringham

Package stores recently found an unlikely ally in their goal of holding on to an archaic, anti-competitive special interest known as minimum-bottle pricing — anti-alcohol advocates. These advocates often put forth opinion pieces dressed up as research and then make huge logical leaps in unrelated conversations to restrict alcohol consumption.

The advocates argue that ending minimum-bottle prices for spirits and wine would be a significant risk to public health — despite the fact that the other 49 states with no such statute are doing fine health-wise.

And they argue that the additional money charged to consumers was necessary to offset societal costs — despite the fact that the additional revenue does not benefit the state or any public program. The anti-competitive policy simply lines the pockets of package-store owners who lobby vigorously to keep market forces out of their business.

Minimum-bottle pricing is nothing more than a scheme that allows alcohol wholesalers to set the minimum price at which all retailers must sell. This artificially imposed price — which has no calculated relationship to the per bottle wholesale price — disserves the public and only benefits retailers who wish to avoid competition and make customers pay more.

The minimum-pricing scheme has three negative economic effects.

First, higher prices restrict how much alcohol consumers can afford, and a typical consumer has to switch to cheaper brands. While value brands offer good value for the money, why should Connecticut be forcing us to consume cheap booze?

Second, many consumers end up crossing state lines for lower prices. For both of these effects, Connecticut loses revenue. Connecticut already has high excise taxes on alcohol

and lowering it would be a positive step. But even if the excise tax rate were lowered, minimum pricing would allow package stores to keep those savings for themselves. Thus, ending minimum pricing is the only strategy likely to result in lower consumer prices.

Stores should be allowed to, or have to, compete for customers and set prices based on supply and demand, not arbitrarily established minimum-bottle prices. The pricing requirement serves no legitimate policy purpose but merely forces consumers to spend more.

Would lower alcohol prices lead to a decrease in Connecticut residents' health? Not at all. We know from the Scientific Report of the 2015 Dietary Guidelines Advisory Committee that moderate consumption of alcohol is shown to be a component of "a beneficial dietary pattern in most studies."

Another CDC study published in American Journal of Public Health in 2011 cited moderate alcohol consumption as one of four healthy lifestyle behaviors that, in combination, can help people live longer. The four lifestyle behaviors were: having never smoked, eating a healthy diet, getting regular physical activity and moderate alcohol consumption. The CDC researchers concluded that these low-risk lifestyle behaviors, "exert a powerful and beneficial effect on mortality."

My own research on alcohol and earnings also found that drinkers earn 10 to 14 percent more than otherwise similar non-drinkers. It likely has something to do with social drinkers engaging in more business networking with colleagues and potential clients.

While anti-alcohol advocates try to confuse the issue in order to further their agenda, their points have little relevance to a state government enforcing a decades-old statute that serves only to protect package stores from competition in a free

market. Ending minimum-bottle pricing will not lead to the end of society — it will simply mean better prices and more options for consumers, and a merrier state. ■

Edward Peter Stringham is the Davis Professor of Economic Organizations and Innovation at Trinity College in Hartford.

► **Stores should be allowed to, or have to, compete for customers and set prices based on supply and demand, not arbitrarily established minimum-bottle prices. The pricing requirement serves no legitimate policy purpose but merely forces consumers to spend more.**

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Can we secure the internet of things?

By William Malik

The internet of things — the internet-working of everyday physical objects — is all around us. Every day our cars, homes, offices and even our bodies through things like medical devices are becoming more and more connected.

At a recent event in Cleveland, security expert Bruce Schneier observed that companies are deploying three kinds of internet-connected technologies:

- **Sensors**, such as GPS devices, ATM always-on cameras and thermostats.
 - **Real-time analytics**, such as user-behavior assessment patterns, weight and freight tools and traffic modelling.
 - **Actuators**, such as building HVAC systems, automated locks, traffic signals and automotive steering and brake commands.
- Functionally, according to Schneier, these three categories of technologies combined make a robot, one that is difficult to control and even harder to secure.

Many of these new technologies bring exceptional benefits to individuals and businesses.



William Malik

Yet, as more and more devices become “smart,” and IoT becomes larger and more mainstream, massive streams of data also provide potential substantial value to criminals.

In situations where threats may be evolving as quickly as the device technology itself, a layered approach is best, but we all must do our part for this solution to work. Layered security requires coordination from citizens, the greater community, the business sector and government. The following are some steps each can take to help improve security:

Businesses

- Businesses must identify an information-security function and staff it appropriately. This role should encompass responsibility for the security and integrity of intelligent devices alongside conventional information technology (servers, laptops, smartphones, networks and cloud-based services).
- Establish policies that acknowledge and accommodate the presence of IoT within and around the enterprise's environment.
- Companies should open a liaison with local police agencies that might offer assistance in the aftermath of a crisis.

Government

- Consider how IoT vulnerabilities can impact citizens. Currently, core information technology is seen as the responsibility

► **As more and more devices become ‘smart,’ and IoT becomes larger and more mainstream, massive streams of data also provide potential substantial value to criminals.**

of its owner. After a noisy problem involving a population harmed by an IoT vulnerability, governments will act — but with a bit of foresight, that action need not be disproportionate or dysfunctional.

- Understand that while the network was never the computer, networked devices concentrate vast processing power. This aggregated IoT needs a governmental policy-based response. Individuals and businesses cannot change social policy fast enough.

Social groups, clubs and not-for-profit organizations

- Identify a device steward, someone who would list their intelligent devices and occasionally check with the device vendors for any notices, warnings, recalls or suggested updates.
- Have someone with IT skills available (as a volunteer or on call professionally) to help minimize the consequences of a defect or a serious attack on the group.

- Understand how your group interacts with said devices and ensure everyone is aware of potential exposures as part of that group. Education is key to assessing risk.

Individuals

- Be aware of the population of intelligent devices in your home. If you have IoT devices in your home, check in regularly with vendors or a reliable third party for notices, bulletins or warnings concerning their devices.
- Assess personal value vs. potential risk for each of the personal devices you consider purchasing. Do your homework, be informed.

Securing IoT is a challenge, but with cooperation from the government, individuals and communities, as well as businesses, we can all take small steps to make the world a safer place. ■

William Malik is a client-solution advisor at Optiv, an information security company.

BIZ BOOKS

How winners think differently to create a competitive edge

“**E**lite Minds — How Winners Think Differently to Create a Competitive Advantage and Maximize Success” by Stan Beecham (McGraw Hill Education, \$25).

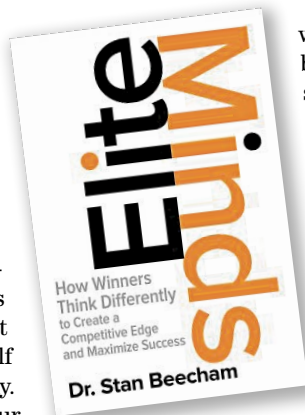
We constantly get software updates from Microsoft, Apple and smartphone apps. Some are major; some routine; others fix glitches. Think of your brain as software (i.e. the operating system,) your body as hardware and stress as malware. The brain tells the body what to do. The body complies — unless it's influenced by the conscious or subconscious mind. Example: Conscious — You hurt your elbow and are unable to swing a golf club properly. Subconscious — You hit golf balls great on the driving range, but your game falls apart on the golf course and you don't know why.

The “why” involves your beliefs (i.e. your opinions about what you can or cannot do). The golf course presents challenges (e.g. bunkers, woods, water, etc.), which trigger subconscious messages about your ability to do something well. When those messages say you're not good at golf, the results bear this out.

Winners find ways to overcome these glass-half-empty messages. How? By reframing their beliefs from “I can't do this very well” to “I think I can do this if I change ...”. When you identify



Jim Pawlak



ways to change and execute, the brain sends a positive subconscious messages. Guess what? Your game improves.

At the end of a day winners ask “Was that the best I could do?” They acknowledge having off days, but they don't dwell on them. They look forward to the next day. Beecham suggests a simple solution to monitoring your progress: “On the days you improved, give yourself a W for a win.

Days that you fail to advance, give yourself an L for a loss.” When you begin stringing together Ws, you're well on your way to minimizing negative subconscious messages.

Key takeaway: You're not competing against others; you're competing against yourself.

...

“**People Tools for Business: 50 Strategies for Building Success, Creating Wealth and Finding Happiness**” by Alan C. Fox (SelectBooks, \$16.95).

► **Improv comedy teaches the art of saying ‘Yes, and’ to build the scene. The ‘Yes’ shows agreement; the ‘and’ addresses their concern.**

Fox shows that the more you learn, the more you realize there's still more to learn. He's always adding tools to his toolkit. Here are some highlights:

9. “**You are not in the business of making telephone calls or writing emails.**” How much time do you spend each day on the phone and with email? How much of that time helps you “make things happen” with your job? When it comes to evaluating performance, results count; “busyness” doesn't. Don't get caught in the thick of thin things.

12. “**Wait three days.**”

There's an emotional impulse to react quickly to bad news. Invariably, a shoot-from-the-lip response results in shooting yourself in the foot. Take some time to think about not only what happened but why it happened. Once you identify the why(s) you can't begin identifying fixes. Communicating “Let's solve this problem” rather than dwelling on “the

bell that can't be unrung’ keeps people engaged.

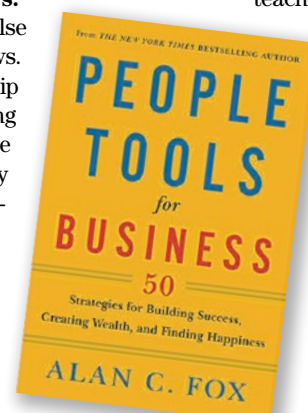
18. “**Give it away.**” Forget micromanagement. Delegate. Let people do what you hired them to do. Leverage their skills. The more they do, the more they learn — and the more productive the department, division, etc. becomes. When mistakes are made, remember that you make mistakes, too.

26. “**Ready, Set, Improvise.**” Things rarely go as planned — especially in conversations and negotiations. You don't know how the other party will react. Improv comedy teaches the art of saying “Yes, and” to

build the scene. The “Yes” shows agreement; the “and” addresses their concern.

In a nutshell: “You are the sole proprietor of your life.” The more tools you can use to build it, the greater your chances of success at home and work. ■

Jim Pawlak is a nationally syndicated book reviewer.



OF NOTE

HALLORAN & SAGE PARTNER ELECTED TO EASTERN STATES EXPOSITION'S BOARD OF CORPORATORS



Richard Roberts

Richard Roberts, a partner at Halloran & Sage LLP's Hartford office, was recently elected to the Eastern States Exposition's board of corporators.

The volunteer board is comprised of noted civic, business and agricultural leaders from all six New England states.

Roberts is one of 24 individuals from Connecticut currently serving as a corporator.

...



John Guy

WEBSTER BANK SELECTED AS BUSINESS OF THE YEAR

Webster Bank has been chosen as the Business of the Year by the Northeastern Economic Developers Association. John Guy, executive vice president and director of business banking, accepted the award on Webster's behalf. The award is given each year to a regional for-profit company that has shown outstanding and continued commitment to the economic well-being of the communities it serves.

...

CERC RECEIVES RECOGNITION FROM NORTHEASTERN ECONOMIC DEVELOPERS ASSOCIATION

The Connecticut Economic Resource Center has been presented with the Marketing Award for Outstanding Visual Marketing and Promotion for Economic Development by the Northeastern Economic Developers Association.

BANK OF AMERICA BUILDS HOME WITH HABITAT FOR HUMANITY



► Bank of America employee volunteers (shown left) teamed up with Hartford Area Habitat for Humanity to build homes for local Hartford families. The build was part of the third Habitat Global Build Week, hosted in celebration of the bank's 30-year commitment to Habitat for Humanity.

OTIS ELEVATOR DONATES TO MERCY HOUSING AND SHELTER



► Otis Elevator recently donated funds to assist with the purchase of the Roped Hydraulic elevator at Mercy Housing and Shelter's St. Elizabeth House. An open house and ribbon-cutting ceremony was held to celebrate the organization's "A Time for Mercy" campaign and the restoration and improvements to St. Elizabeth House. Pictured (from left) are: James Weeks, Shannon Cowles and Courtney Colabrese.

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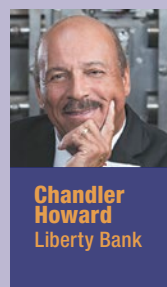
Single ticket price: \$75; Table of ten: \$700



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